FOR OHF USE

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2005
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2005)

IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

I.

IDPH Facility ID Number: 0011544

Facility Name: Meadows Mennonite Home

Address: 24588 Church Street (Number) Chenoa (City) 61726 (Zip Code)

County: McLean

Telephone Number: (309) 747-2702 Fax # (309) 747-2944

IDPA ID Number: 37-0791831001

Date of Initial License for Current Owners: 1958

Type of Ownership:

x	VOLUNTARY,NON-PROFIT		PROPRIETARY		GOVERNMENTAL
x	Charitable Corp.		Individual		State
	Trust		Partnership		County
IRS Exemption Code 501 (c) 3			Corporation		Other
			"Sub-S" Corp.		
			Limited Liability Co.		
			Trust		
			Other		

In the event there are further questions about this report, please contact:
Name: Roger W. Hasler Telephone Number: (309) 747-2702

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/2005 to 12/31/2005 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider

(Signed) _____ (Date)

(Type or Print Name) Roger W. Hasler

(Title) Chief Financial Officer

Paid Preparer

(Signed) _____ (Date)

(Print Name and Title)

(Firm Name & Address)

(Telephone) Fax #

MAIL TO: BUREAU OF HEALTH FINANCE
ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES
201 S. Grand Avenue East
Springfield, IL 62763-0001 Phone # (217) 782-1630

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds _____

	1 Beds at Beginning of Report Period	2 Licensure Level of Care	3 Beds at End of Report Period	4 Licensed Bed Days During Report Period	
1	22	Skilled (SNF)	22	8,030	1
2		Skilled Pediatric (SNF/PED)			2
3	108	Intermediate (ICF)	108	39,420	3
4		Intermediate/DD			4
5	29	Sheltered Care (SC)	29	10,585	5
6		ICF/DD 16 or Less			6
7	159	TOTALS	159	58,035	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment: Medicaid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF	2,257	5,461		7,718	8
9	SNF/PED					9
10	ICF	13,836	17,148		30,984	10
11	ICF/DD					11
12	SC		734		734	12
13	DD 16 OR LESS					13
14	TOTALS	16,093	23,343		39,436	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 67.95%

D. How many bed-hold days during this year were paid by the Department?
58 (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)
None

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES [X] NO [ ]

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES [X] NO [ ]

I. On what date did you start providing long term care at this location?
Date started 1958

J. Was the facility purchased or leased after January 1, 1978?
YES [ ] Date 1958 NO [X]

K. Was the facility certified for Medicare during the reporting year?
YES [ ] NO [X] If YES, enter number of beds certified _____ and days of care provided _____

Medicare Intermediary _____

IV. ACCOUNTING BASIS

ACCRUAL [x] MODIFIED CASH* [ ] CASH* [ ]

Is your fiscal year identical to your tax year? YES [x] NO [ ]

Tax Year: 12/31/2005 Fiscal Year: 12/31/2005

* All facilities other than governmental must report on the accrual basis.

STATE OF ILLINOIS

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR OHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	A. General Services	1	2	3	4	5	6	7	8	9	10	
1	Dietary	266,433	15,496	12,975	294,904		294,904		294,904			1
2	Food Purchase		275,792		275,792		275,792	(2,504)	273,288			2
3	Housekeeping	187,792	24,205	11	212,008		212,008	(11)	211,997			3
4	Laundry	66,156	12,605		78,761		78,761		78,761			4
5	Heat and Other Utilities			256,066	256,066		256,066	(34,013)	222,053			5
6	Maintenance	150,814	10,330	150,123	311,267		311,267	(99,679)	211,588			6
7	Other (specify):*											7
8	TOTAL General Services	671,195	338,428	419,175	1,428,798		1,428,798	(136,207)	1,292,591			8
	B. Health Care and Programs											
9	Medical Director			5,400	5,400		5,400		5,400			9
10	Nursing and Medical Records	2,013,099	80,640	92,337	2,186,076	(4,368)	2,181,708		2,181,708			10
10a	Therapy	21,062	332	3,973	25,367		25,367		25,367			10a
11	Activities	76,415	2,864	678	79,957		79,957	(127)	79,830			11
12	Social Services	68,306		190	68,496		68,496		68,496			12
13	CNA Training					4,368	4,368		4,368			13
14	Program Transportation											14
15	Other (specify):*											15
16	TOTAL Health Care and Programs	2,178,882	83,836	102,578	2,365,296		2,365,296	(127)	2,365,169			16
	C. General Administration											
17	Administrative	73,336			73,336		73,336		73,336			17
18	Directors Fees											18
19	Professional Services			33,352	33,352		33,352		33,352			19
20	Dues, Fees, Subscriptions & Promotions			20,497	20,497		20,497		20,497			20
21	Clerical & General Office Expenses	82,151	8,491	187,349	277,991		277,991	(39,121)	238,870			21
22	Employee Benefits & Payroll Taxes			571,937	571,937		571,937	(12,057)	559,880			22
23	Inservice Training & Education											23
24	Travel and Seminar			13,941	13,941		13,941	(884)	13,057			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			83,010	83,010		83,010	(9,908)	73,102			26
27	Other (specify):*											27
28	TOTAL General Administration	155,487	8,491	910,086	1,074,064		1,074,064	(61,970)	1,012,094			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	3,005,564	430,755	1,431,839	4,868,158		4,868,158	(198,304)	4,669,854			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number Meadows Mennonite Home #0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR OHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	D. Ownership	1	2	3	4	5	6	7	8	9	10	
30	Depreciation			496,976	496,976		496,976	7,044	504,020			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			280,228	280,228		280,228	(24,830)	255,398			32
33	Real Estate Taxes			36,644	36,644		36,644	(36,644)				33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles											35
36	Other (specify):*											36
37	TOTAL Ownership			813,848	813,848		813,848	(54,430)	759,418			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers											39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			71,175	71,175		71,175		71,175			42
43	Other (specify):*	27,374	582	7,225	35,181		35,181	(35,181)				43
44	TOTAL Special Cost Centers	27,374	582	78,400	106,356		106,356	(35,181)	71,175			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	3,032,938	431,337	2,324,087	5,788,362		5,788,362	(287,915)	5,500,447			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer-ence	3 OHF USE ONLY	
1	Day Care	$		$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(1,804)	2.2		4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	5,319	30.3		9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds		21.3		11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax				13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt				24
25	Fund Raising, Advertising and Promotional	(7,225)	43.3		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising		20.3		28
29	Other-Attach Schedule	(284,205)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	$ (287,915)		$	30

OHF USE ONLY								
48		49		50		51		52	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)			34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	$		36
37	TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))	$ (287,915)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.		x	$		38
39			x			39
40	Gift and Coffee Shops		x			40
41	Barber and Beauty Shops		x			41
42	Laboratory and Radiology		x			42
43	Prescription Drugs		x			43
44	Exceptional Care Program		x			44
45	Other-Attach Schedule		x			45
46	Other-Attach Schedule		x			46
47	TOTAL (C): (sum of lines 38-46)			$		47

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
				Meadows Mennonite Retirement Home	Chenoa	Independent Living Housing

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [ ] YES [x] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V			$ -			$ -	$	1
2	V			-			-		2
3	V			-			-		3
4	V			-			-		4
5	V			-			-		5
6	V			-			-		6
7	V			-			-		7
8	V			-			-		8
9	V			-			-		9
10	V			-			-		10
11	V			-			-		11
12	V			-			-		12
13	V			-			-		13
14	Total			$			$	$ *	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1	2	3	4	5	6		7		8	
	Name	Title	Function	Ownership Interest	Compensation Received From Other Nursing Homes*	Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		Compensation Included in Costs for this Reporting Period**		Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1									$		1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	$		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES [ ] NO [x]

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number ( )
Fax Number ( )

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1						$	$		$	1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related** YES	Related** NO	Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note Original	Amount of Note Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	A. Directly Facility Related											
	Long-Term											
1	GMAC		X	Mortgage	$8,319.00	6/1976	$ 1,620,000	$ 577,937	6/2016	0.0500	$ 29,230	1
2	FmHA #2		X	Mortgage	$9,876.00	2/1996	1,782,500	1,500,652	3/2028	0.0500	76,080	2
3	FmHA #3		X	Mortgage	$13,475.00	2/4/02	2,500,000	2,408,634	12/14/2034	0.0500	115,438	3
4	Heartland Bk & Trust		X	Mortgage	$4,575.00	2/4/02	1,000,000	757,556	2/4/2033	0.0575	44,489	4
5	Heartland Bk & Trust		X	Resident Security System	$2,070.00	12/3/2003	107,500		Dec-08	0.0575	3,507	5
	Working Capital											
6	Heartland Bk & Trust		X	Working Capital		Jun-04	250,000		Jun-06	0.0760	8,081	6
7	Loyalty Loans		X	Mortgage - renew annually		Various	13,500	3,500	Various	0.0700	221	7
8	Residential to Heatlh Center	X		Working Capital		Various			Various		2,774	8
9	TOTAL Facility Related				$38,315.00		$ 7,273,500	$ 5,248,279			$ 279,820	9
	B. Non-Facility Related*											
10	**Other Long-Term Facility Related Debt**											10
11	Heartland Bk & Trust		X	Grounds Tractor	$262.00	4/18/2003	5,900		4/18/2005	0.0600	13	11
12	Heartland Bk & Trust		X	Patient Transport	$250.00	Oct-04	10,609		Oct-08	0.0599	395	12
13												13
14	TOTAL Non-Facility Related				$512.00		$ 16,509	$			$ 408	14
15	TOTALS (line 9+line14)						$ 7,290,009	$ 5,248,279			$ 280,228	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. $ None Line # _____

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7. (See instructions.)

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2. (See instructions.)

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.

1. Real Estate Tax accrual used on 2004 report.	$	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	$	2
3. Under or (over) accrual (line 2 minus line 1).	$	3
4. Real Estate Tax accrual used for 2005 report. (Detail and explain your calculation of this accrual on the lines below.)	$	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)	$	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND $ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)	$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.	$	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:		
2000		8
2001		9
2002		10
2003		11
2004		12

	FOR OHF USE ONLY		
13	FROM R. E. TAX STATEMENT FOR 2004	$	13
14	PLUS APPEAL COST FROM LINE 5	$	14
15	LESS REFUND FROM LINE 6	$	15
16	AMOUNT TO USE FOR RATE CALCULATION	$	16

NOTES:

1. Please indicate a negative number by use of brackets( ). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity. This denial must be no more than four years old at the time the cost report is filed.

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2004 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2004 real estate tax costs, as well as copies of your real estate tax bills for calendar 2004.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2004 real estate tax bill to the Department of Public Aid, Bureau of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2005 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Bureau of Health Finance at (217) 782-1630.

2004 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Meadows Mennonite Home COUNTY McLean

FACILITY IDPH LICENSE NUMBER 0011544

CONTACT PERSON REGARDING THIS REPORT Roger W. Hasler

TELEPHONE (309) 747-2702 FAX #: (309) 747-2944

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2004 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2004.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.			$	$
2.			$	$
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$	$

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? _____ YES _____ NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. Tax Bills

Attach a copy of the original 2004 tax bills which were listed in Section A to this statement. Be sure to use the 2004 tax bill which is normally paid during 2005.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 76,955 B. General Construction Type: Exterior Masonry Frame Brick, Steel, Wood Number of Stories Two

C. Does the Operating Entity? [x] (a) Own the Facility [ ] (b) Rent from a Related Organization. [ ] (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? [x] (a) Own the Equipment [ ] (b) Rent equipment from a Related Organization. [ ] (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? [ ] YES [x] NO
If so, please complete the following:

1. Total Amount Incurred: 2. Number of Years Over Which it is Being Amortized:

3. Current Period Amortization: 4. Dates Incurred:

Nature of Costs:
(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Facility	683,400	1920	$ 15,065	1
2	Facility		1950	27,033	2
3	TOTALS	683,400		$ 42,098	3

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

		1 Beds*	FOR OHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1923	4			1923	1923	$ 74,144	$	50	$	$	$ 74,144	4
1952	5	23		1952	1952	86,314	1,218	50		(1,218)	86,314	5
1966	6	25		1966	1966	225,617	4,433	50	4,512	79	180,475	6
1978	7	94		1978	1978	2,348,846	58,988	40	58,721	(267)	1,643,990	7
1997	8	17		1997	1997	3,898,885	97,472	40	97,472		795,799	8
		Improvement Type**										
1979	9	Various Building Improvements			1979	78,921		20			78,921	9
1980	10	Various Building Improvements			1980	3,362	66	20		(66)	3,362	10
1981	11	Various Building Improvements			1981	3,427		20			3,427	11
1983	12	Various Building Improvements			1983	186,656	3,572	20		(3,572)	186,656	12
1984	13	Various Building Improvements			1984	1,298		20			1,298	13
1985	14	Various Building Improvements			1985	31,287		10			31,287	14
1986	15	Various Building Improvements			1986	35,542		10			35,542	15
1987	16	Various Building Improvements			1987	3,888	150	30	130	(20)	2,402	16
1988	17	Various Building Improvements			1988	182,020	7,983	20	9,101	1,118	159,264	17
1989	18	Various Building Improvements			1989	107,129	3,605	20	5,356	1,751	88,379	18
1990	19	Various Building Improvements			1990	36,676	1,891	10		(1,891)	36,676	19
1991	20	Various Building Improvements			1991	12,480	700	10		(700)	12,480	20
1992	21	Various Building Improvements			1992	36,879	434	10		(434)	36,879	21
1993	22	Various Building Improvements			1993	3,505	103	10		(103)	3,505	22
1994	23	Various Building Improvements			1994	93,480	853	15	6,232	5,379	71,674	23
1995	24	Various Building Improvements			1995	45,902	3,171	20	2,295	(876)	23,334	24
1996	25	Various Building Improvements			1996	244,463	5,882	20	12,223	6,341	116,135	25
1996	26	717 Engineering Cad & Survey			1996	675	45	15	45		421	26
1996	27	718 Excavating			1996	2,000	133	15	133		1,232	27
1996	28	732 Boiler Repair - Cleveland			1996	503		3			503	28
1996	29	790 Roof A/C Repair			1996	718		7			718	29
1996	30	810 Window Coverings			1996	1,039		7			1,039	30
1996	31	794 Sewage Pump Repairs			1996	1,685		7			1,685	31
1997	32	Siding			1997	22		7			22	32
1997	33	Siding			1997	245		7			245	33
1997	34	917 Alzheimer Unit			1997	144,484	3,612	40	3,612		29,490	34
1997	35	818 Insulated Glass Rm 42			1997	677	68	10	68		563	35
1997	36	828 Service-Intercom System Repairs			1997	871		7			871	36

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete.

See Page 12A, Line 70 for total

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

		1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1997	37	833 Fiber Optics - Computer Wiring	1997	$ 2,887	$	5	$	$	$ 2,887	37
1997	38	835 Liquid Storage Cabinet Tank	1997	572		5			572	38
1997	39	836 Paging System - Bennett	1997	2,288		7			2,288	39
1997	40	838 Install Heating Cooling	1997	15,161	1,011	15	1,011		8,598	40
1997	41	839 Compressors (5)	1997	1,653		7			1,653	41
1997	42	843 Window blinds	1997	1,539		7			1,539	42
1997	43	923 Motor a/C Motor & Starter for 2 Ton Unit	1997	715		5			715	43
1997	44	848 Repair Cool	1997	749		5			749	44
1997	45	849 2 Roof top Units	1997	1,295		7			1,295	45
1997	46	850 A/C Part Repairs	1997	733		5			733	46
1997	47	908 Power Server -Timeclock	1997	150	10	15	10		81	47
1997	48	910 - 2 Carrier Heating & Cooling	1997	19,250	1,283	15	1,283		10,366	48
1997	49	760 Intercom Wiring Repairs	1997	696		3			696	49
1997	50	780 Carousel Tub	1997	12,423	828	15	828		6,760	50
1997	51	796 Landscaping	1997	30,518	2,035	15	2,035		16,614	51
1997	52	800 Curtains, Valances	1997	10,077	672	15	672		5,486	52
1997	53	802 Patio Garden Landscaping	1997	12,842	856	15	856		6,989	53
1997	54	813 Fence & Gate	1997	10,162	254	40	254		2,074	54
1997	55	814 Telephone Wiring	1997	1,462	97	15	97		792	55
1997	56	866 Draperies - Clark	1997	869	58	15	58		474	56
1997	57	894 / 915 ASI Sign System	1997	2,547	170	15	170		1,388	57
1998	58	936 Rocks for 2 Courtyards	1998	2,070	138	15	138		1,002	58
1998	59	937 Asphalt Maintenance	1998	5,500	367	15	367		2,691	59
1998	60	951 Window Room # 51	1998	444	44	10	44		322	60
1998	61	966 Magnetic Gate Contact	1998	228	10	7	10		228	61
1998	62	967 Carpet Res. Room	1998	330		5			330	62
1998	63	968 Carpet 3 Rooms	1998	793		5			793	63
1998	64	983 Maintenance Shop	1998	909	45	20	45		317	64
1998	65	938 2 A/C Compressors	1998	1,006	59	7	59		1,006	65
1998	66	954 Heat & Air Thermostat	1998	1,410	34	7	43	9	1,410	66
1998	67	959 Natural Gas Steamer	1998	7,495	802	7	843	41	7,495	67
1998	68	970 Heat Duct Repair	1998	761		7	4	4	761	68
1998	69	973 Repair Engine & Generator	1998	1,322		5			1,322	69
1900	70	TOTAL (lines 4 thru 69)		$ 8,044,496	$ 203,152		$ 208,727	$ 5,575	$ 3,799,158	70

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
	1	Totals from Page 12A, Carried Forward		$ 8,044,496	$ 203,152		$ 208,727	$ 5,575	$ 3,799,158	1
1998	2	976 Alarm system Phase 1	1998	44,529	2,226	20	2,226		15,741	2
1998	3	969 Sewage Pump Rehab	1998	7,208	85	7	162	77	7,208	3
1998	4	962 Water Tower Rehab	1998	63,699	3,185	20	3,185		24,302	4
1998	5	955 OSHA Upgrades	1998	111		5			111	5
1998	6	956 Required OSHA Items	1998	458		5			458	6
1998	7	957 Eye Wash Station	1998	585		5			585	7
1998	8	981 - 1 CS Spill Kits	1998	122		5			122	8
1999	9	988 Repair Roadway	1999	3,500	233	15	233		1,571	9
1999	10	989 Landscaping Improvements	1999	2,259	151	15	151		982	10
1999	11	995 Station 1 Door Keypads	1999	1,442	144	10	144		949	11
1999	12	996 Station 1 Code Alert System	1999	15,298	1,530	10	1,530		10,077	12
1999	13	997 Station 1 Nurse Call System	1999	11,924	1,192	10	1,192		7,753	13
1999	14	998 Ceiling Installation	1999	1,945	130	15	130		813	14
1999	15	999 Improvements to Brown Shed	1999	1,288	129	10	129		785	15
1999	16	1004 Safety Bars in Alzheimer's Unit	1999	2,350	157	15	157		1,073	16
1999	17	1008 Bronze Door & Closer	1999	1,806	120	15	120		811	17
1999	18	1022 Hardware for Exissting Doors in Alzheimer's Unit	1999	5,536	369	15	369		2,492	18
1999	19	1001 Sensor Base for Alarm	1999	231	30	7	33	3	228	19
1999	20	1009 Repair Boiler Station 4	1999	1,140		5			1,140	20
1999	21	1049 Repair Generator	1999	3,067		5			3,067	21
1999	22	1050 Water Heater for Kitchen	1999	878		15	59	59	359	22
1999	23	1053 Panic Devices on Doors in alzheimer Unit	1999	688	98	7	98		596	23
1999	24	1027 Alarm System	1999	7,562	378	20	378		2,522	24
1999	25	1028 Storage Cabinets & Installation	1999	5,242	749	7	749		4,997	25
1999	26	1030 Elevator Eye	1999	1,978	132	15	132		881	26
1999	27	1035 Fire Alarm System Materials & Labor	1999	27,650	1,383	20	1,383		9,109	27
1999	28	1037 Compressor for Freezer	1999	1,809	237	7	258	21	1,678	28
1999	29	1069 Sewer Improvements (Check Valves)	1999	1,312	60	20	66	6	413	29
1999	30	1070 New Pipes in Well	1999	921	42	20	46	4	280	30
1999	31	1071 New Alzheimer Unit Sign	1999	1,144	76	15	76		517	31
1999	32	1048 Station 4 Door Seal Parts & Labor	1999	1,163	78	15	78		475	32
2000	33	1087 Carpet - Station 5	2000	1,126	38	5	37	(1)	1,126	33
	34	TOTAL (lines 1 thru 33)		$ 8,264,467	$ 216,104		$ 221,848	$ 5,744	$ 3,902,379	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
	1	Totals from Page 12B, Carried Forward		$ 8,264,467	$ 216,104		$ 221,848	$ 5,744	$ 3,902,379	1
2000	2	1088 Station 5 Remodel	2000	320	29	10	32	3	187	2
2000	3	1089 Station 5 Tile	2000	530	53	5	53		530	3
2000	4	1090 Bathroom Fixtures - Station 5	2000	1,675	167	10	168	1	924	4
2000	5	1138 Garage Door Enlargement	2000	1,276	128	10	128		654	5
2000	6	1093 Elevator Cylinder	2000	16,746	1,116	15	1,116		6,516	6
2000	7	1092Fire Alarm System	2000	18,000	1,200	15	1,200		7,006	7
2000	8	1100 Mastercare hydrobath	2000	9,490	1,356	7	1,356		7,801	8
2000	9	1109 Door Locks on Soiled Linen Closet	2000	568	81	7	81		466	9
2000	10	1112 Air Conditioner Motor	2000	657	94	7	94		509	10
2000	11	1114 Air Conditioner Compressor	2000	1,732	247	7	247		1,318	11
2000	12	1132 Alarm System	2000	35,000	3,500	10	3,500		18,967	12
2000	13	1133 Alarm System	2000	18,060	1,806	10	1,806		9,332	13
2000	14	1148 Alarm System Sensor	2000	864	123	7	123		623	14
2000	15	1075 Premium Lawn	2000	755	50	15	50		284	15
2000	16	1076 Parking Lot Addition	2000	7,355	490	15	490		2,766	16
2000	17	1126 New Controller for Sewer	2000	1,573	206	7	225	19	1,331	17
2000	18	1127 Sewer Improvements (Check Valves)	2000	752	99	7	107	8	598	18
2000	19	1128 Water main Work	2000	2,203	110	20	110		606	19
2000	20	1129 Water Main Extension	2000	8,465	423	20	423		2,328	20
2000	21	1130 Chlorinator	2000	1,389	198	7	198		1,073	21
2001	22	1170 Generator Repair	2001	506	66	7	72	6	350	22
2001	23	1173 Generator Repair/Trans.	2001	1,434	205	7	205		984	23
2001	24	1174 Boiler Repair	2001	1,044	149	7	149		712	24
2001	25	1179 Air Conditioner Compressor	2001	700	100	7	100		455	25
2001	26	1182 Air Conditioner Compressor	2001	1,200	172	7	171	(1)	762	26
2001	27	1186 Storm Windows	2001	2,071	207	10	207		897	27
2001	28	1192 Simplex Fire Alarm	2001	763	153	5	153		641	28
2002	29	1249 Phase II Bldg Renov	2002	950,000	31,667	30	31,667		118,859	29
2002	30	1250 Phase II Bldg Renov -K	2002	1,187,500	39,583	30	39,583		146,728	30
2002	31	1280 Renovation 2002	2002	80,684	2,689	30	2,689		8,406	31
2002	32	1281 Renovation 2002	2002	182,708	6,090	30	6,090		18,537	32
2002	33	1295 Pairie Control- 4FCU flow problem	2002	6,694	446	15	446		1,388	33
	34	TOTAL (lines 1 thru 33)		$ 10,807,181	$ 309,107		$ 314,887	$ 5,780	$ 4,264,917	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
	1	Totals from Page 12C, Carried Forward		$ 10,807,181	$ 309,107		$ 314,887	$ 5,780	$ 4,264,917	1
2002	2	1296 Phase II Renovation	2002	456,101	15,203	30	15,203		48,150	2
2002	3	1292 Garage Doors	2002	1,166	117	10	117		361	3
2002	4	1298 Roof	2002	125,025	4,168	30	4,168		13,383	4
2002	5	1252 Stained Glass -Chapel	2002	1,063	152	7	152		570	5
2002	6	1254 Water Heater	2002	4,599	657	7	657		2,351	6
2002	7	1255 Generator	2002	1,565	224	7	224		791	7
2002	8	1256 Air Conditioner	2002	5,150	736	7	736		2,579	8
2002	9	1257 Air Conditioner	2002	1,495	214	7	214		750	9
2002	10	1211 Heating UN/Steam	2002	1,424	203	7	203		795	10
2002	11	1226 Air Hood	2002	4,970	710	7	710		2,632	11
2002	12	1227 Fire Pretection System	2002	2,572	367	7	367		1,361	12
2002	13	1238 Nation Custom Vent Ducts	2002	830	119	7	119		441	13
2002	14	1289 New Road	2002	3,911	261	15	261		813	14
2002	15	1253 Sub Pump	2002	2,448	321	7	350	29	1,297	15
2002	16	1274 Sewage Pump Station	2002	1,906	87	20	95	8	320	16
2002	17	1275 Lift Station Eng	2002	1,860	93	20	93		305	17
2002	18	1276 Lift Station Eng	2002	1,674	84	20	84		269	18
2002	19	1277 Pump Station Eng	2002	1,169	58	20	58		181	19
2002	20	1278 Lift Station Eng Review	2002	720	36	20	36		109	20
2002	21	1301 Lift Station Eng	2002	950	48	20	48		164	21
2002	22	1302 Pump Station Eng	2002	1,603	80	20	80		269	22
2002	23	1271 Chiller Compressor Replacement	2002	2,418	345	7	345		1,093	23
2003	24	1310 Medline-Borders & Shades/ Dining Rm	2003	3,195	456	7	456		1,322	24
2003	25	1311 Phase II Renov Project	2003	244,941	8,165	30	8,165		22,459	25
2003	26	1312 Tile Specialists-Adm Bld Entry	2003	1,455	182	8	182		452	26
2003	27	1313 Tile Specialists-Adm Bldg Hallway	2003	9,350	1,169	8	1,169		3,167	27
2003	28	1314 Tile Specialists - Lounge Carpet	2003	2,950	369	8	369		1,000	28
2003	29	1327 Code Alert-Security System	2003	69,151	6,915	10	6,915		15,289	29
2003	30	1328 Jay's Plumbing - Hot Water Heater mixing valve	2003	2,980	298	10	298		617	30
2003	31	1330 New Lift Station	2003	97,919	4,896	20	4,896		13,078	31
2004	32	1335 &1336 Roof Repairs	2004	1,270	127	10	127		222	32
2004	33	1337 electrical	2004	2,900	414	7	414		417	33
	34	TOTAL (lines 1 thru 33)		$ 11,867,911	$ 356,381		$ 362,198	$ 5,817	$ 4,401,924	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

	1	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
	1	Totals from Page 12D, Carried Forward		$ 11,867,911	$ 356,381		$ 362,198	$ 5,817	$ 4,401,924	1
2004	2	1343+1344 Water Heaters	2004	12,523	1,252	10	1,252		2,168	2
2004	3	1347 Water Softner	2004	7,398	740	10	740		864	3
2004	4	1331 Asphalt Sealcoat	2004	22,833	7,611	3	7,611		10,134	4
2005	5	1357 Sidewalk	2005	2,450	61	20	57	(4)	57	5
2005	6	1372-1374 Shingles	2005	21,650	180	20	219	39	219	6
2005	7	1360+1364+1366+1375 Flooring/Carpet	2005	9,999	863	8	527	(336)	527	7
2005	8	1363+1371 Brick Repairs	2005	2,230	111	10	48	(63)	48	8
2005	9	1361+1362 Wall covering and modification	2005	28,744	3,048	7	3,083	35	3,083	9
2005	10	1367+1370 Fire system and sprinkler	2005	6,238	502	10	265	(237)	265	10
2005	11	1365+1368+1369+1376+1377 A/C, Duct Htrs	2005	16,952	714	10	780	66	780	11
2005	12	1359 Generator	2005	1,191	73	15	75	2	75	12
	13									13
	14									14
	15									15
	16									16
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	29									29
	30									30
	31									31
	32									32
	33									33
	34	TOTAL (lines 1 thru 33)		$ 12,000,119	$ 371,536		$ 376,855	$ 5,319	$ 4,420,144	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	$ 571,880	$ 77,520	$ 77,520	$	various	$ 445,593	71
72	Current Year Purchases	61,635	6,254	6,254		various	6,254	72
73	Fully Depreciated Assets	264,561				various	264,561	73
74								74
75	TOTALS	$ 898,076	$ 83,774	$ 83,774	$		$ 716,408	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	Grounds Maintenance	1999 Dodge D350	Feb-99	$ 29,024	$	$	$	5	$ 29,024	76
77	Patient Transport	2004 Pontiac Montana	Oct-04	10,609	2,122	2,122		5	2,570	77
78	Grounds Maintenance	2004 JD 1420 Mower	Nov-04	7,608	1,522	1,522		5	1,676	78
79	Grounds Maintenance	Other	Various	17,472	2,217	(441)	(2,658)	5	17,472	79
80	TOTALS			$ 64,713	$ 5,861	$ 3,203	$ (2,658)		$ 50,742	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	$ 13,005,006	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 461,171	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 463,832	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 2,661	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 5,187,294	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86	Residential Housing Units	$ 1,369,759	$ 32,120	$ 882,006	86
87	Residential Vehicles	49,027	1,500	49,027	87
88	CEO House Remodeling	64,925	2,185	31,469	88
89	Land	158,040			89
90					90
91	TOTALS	$ 1,641,751	$ 35,805	$ 962,502	91

G. Construction-in-Progress

	Description	Cost	
92		$	92
93			93
94			94
95		$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease:

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
If NO, see instructions. [ ] YES [x] NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				$			3
4	Additions							4
5								5
6								6
7	TOTAL				$ **			7

8. List separately any amortization of lease expense included on page 4, line 34.
This amount was calculated by dividing the total amount to be amortized
by the length of the lease .

9. Option to Buy: [ ] YES [x] NO Terms: *

10. Effective dates of current rental agreement:
Beginning
Ending

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	/2006	$
13.	/2007	$
14.	/2008	$

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? [ ] YES [x] NO

16. Rental Amount for movable equipment: $ Description:
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			$	$	17
18					18
19					19
20					20
21	TOTAL		$	$	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XIII. EXPENSES RELATING TO CERTIFIED NURSE AIDE (CNA) TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility.)

1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD? [x] YES [ ] NO

If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

2. CLASSROOM PORTION:

IN-HOUSE PROGRAM	
IN OTHER FACILITY	
COMMUNITY COLLEGE	x
HOURS PER CNA	80

3. CLINICAL PORTION:

IN-HOUSE PROGRAM	x
IN OTHER FACILITY	
HOURS PER CNA	40

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	$	$ 1,180	$	$ 1,180
2	Books and Supplies				
3	Classroom Wages (a)		1,939		1,939
4	Clinical Wages (b)		969		969
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests		280		280
9	TOTALS	$	$ 4,368	$	$ 4,368
10	SUM OF line 9, col. 1 and 2 (e)	$ 4,368			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities.

$

D. NUMBER OF CNAs TRAINED

COMPLETED	
1. From this facility	3
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	3

(a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
(c) For in-house training programs only. Do not include fringe benefits.
(d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.
(e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
(f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist		hrs	$		$	$		$	1
2	Licensed Speech and Language Development Therapist		hrs							2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist		hrs							4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy		# of prescrpts							9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify):									13
14	TOTAL			$		$	$		$	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as CNAs, who help with the above activities should not be listed on this schedule.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XV. BALANCE SHEET - Unrestricted Operating Fund. As of 12/31/2005 (last day of reporting year)

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 352,991	$	1
2	Cash-Patient Deposits	14,224		2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance (16,475))	325,710		3
4	Supply Inventory (priced at FIFO)			4
5	Short-Term Investments	3,019		5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	33,161		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	$ 729,105	$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	1,482,167		12
13	Land	200,138		13
14	Buildings, at Historical Cost	8,039,905		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	5,976,733		16
17	Accumulated Depreciation (book methods)	(5,544,228)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	$ 10,154,715	$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	$ 10,883,820	$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ (109,645)	$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	(14,224)		28
29	Short-Term Notes Payable	(32,296)		29
30	Accrued Salaries Payable	(91,821)		30
31	Accrued Taxes Payable (excluding real estate taxes)			31
32	Accrued Real Estate Taxes(Sch.IX-B)	(41,150)		32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36				36
37	Accrued Expenses	(284,495)		37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	$ (573,631)	$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	(541,827)		39
40	Mortgage Payable	(5,244,778)		40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	$ (5,786,605)	$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	$ (6,360,236)	$	46
47	TOTAL EQUITY(page 18, line 24)	$ (4,523,584)	$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	$ (10,883,820)	$	48

*(See instructions.)

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	$ 4,503,583	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	$ 4,503,583	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	20,001	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	( )	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	$ 20,001	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	$ 4,523,584	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

	Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 6,104,580	1
2	Discounts and Allowances for all Levels	(1,023,511)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	$ 5,081,069	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	14,556	6
7	Oxygen	8,484	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	$ 23,040	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	2,721	13
14	Non-Patient Meals	2,504	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs		17
18	Sale of Supplies to Non-Patients	127	18
19	Laboratory	7,236	19
20	Radiology and X-Ray		20
21	Other Medical Services	77,172	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	$ 89,760	23
	D. Non-Operating Revenue		
24	Contributions	355,522	24
25	Interest and Other Investment Income***	24,830	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	$ 380,352	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Residential Revenue	271,791	28
28a	Other Income	(37,649)	28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	$ 234,142	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	$ 5,808,363	30

	Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	1,428,798	31
32	Health Care	2,365,296	32
33	General Administration	1,074,064	33
	B. Capital Expense		
34	Ownership	813,848	34
	C. Ancillary Expense		
35	Special Cost Centers	35,181	35
36	Provider Participation Fee	71,175	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	$ 5,788,362	40
41	Income before Income Taxes (line 30 minus line 40)**	20,001	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	$ 20,001	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? Yes If not, please attach a reconciliation.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation.

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)
(This schedule must cover the entire reporting period.)

		1 # of Hrs. Actually Worked	2** # of Hrs. Paid and Accrued	3 Reporting Period Total Salaries, Wages	4 Average Hourly Wage	
1	Director of Nursing	1,924	2,667	$ 79,099	$ 29.66	1
2	Assistant Director of Nursing	1,645	1,860	48,343	25.99	2
3	Registered Nurses	9,613	10,594	255,145	24.08	3
4	Licensed Practical Nurses	16,939	18,153	349,376	19.25	4
5	CNAs & Orderlies	100,677	107,832	1,249,242	11.59	5
6	CNA Trainees	296	296	2,908	9.82	6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	1,985	2,153	21,062	9.78	8
9	Activity Director	1,612	1,936	22,496	11.62	9
10	Activity Assistants	6,501	7,216	53,919	7.47	10
11	Social Service Workers	3,538	3,796	68,306	17.99	11
12	Dietician					12
13	Food Service Supervisor	1,970	2,118	31,630	14.93	13
14	Head Cook					14
15	Cook Helpers/Assistants	27,781	29,656	234,803	7.92	15
16	Dishwashers					16
17	Maintenance Workers	4,256	4,691	70,356	15.00	17
18	Housekeepers	19,008	21,155	187,792	8.88	18
19	Laundry	5,943	6,382	66,156	10.37	19
20	Administrator	1,960	2,226	73,336	32.95	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	7,237	7,872	74,049	9.41	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify) Ward Clerk	1,984	2,189	28,986	13.24	33
34	TOTAL (lines 1 - 33)	214,869	232,792	$ 2,917,004 *	$ 12.53	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

		1 Number of Hrs. Paid & Accrued	2 Total Consultant Cost for Reporting Period	3 Schedule V Line & Column Reference	
35	Dietary Consultant	288	$ 12,975	1.3	35
36	Medical Director	31	5,400	9.3	36
37	Medical Records Consultant	24	1,440	10.3	37
38	Nurse Consultant			10.3	38
39	Pharmacist Consultant	8	600	10.3	39
40	Physical Therapy Consultant	64	3,415	10a.3	40
41	Occupational Therapy Consultant	4	185	10a.3	41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant	2	84	10a.3	43
44	Activity Consultant	10	528	11.3	44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	430	$ 24,627		49

C. CONTRACT NURSES

		1 Number of Hrs. Paid & Accrued	2 Total Contract Wages	3 Schedule V Line & Column Reference	
50	Registered Nurses	16	$ 634	10.3	50
51	Licensed Practical Nurses	1,123	40,386	10.3	51
52	Certified Nurse Assistants/Aides	2,168	47,707	10.3	52
53	TOTAL (lines 50 - 52)	3,307	$ 88,727		53

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Robert O. Bertsche	Administrator/CEO	-0-	$ 73,336
TOTAL (agree to Schedule V, line 17, col. 1)			$ 73,336
(List each licensed administrator separately.)			

B. Administrative - Other

Description	Amount
TOTAL (agree to Schedule V, line 17, col. 3)	$
(Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
Heinold-Banwart, Ltd	Accounting	$ 15,000
Robert Rein, CPA	Consulting	3,167
Advanced Answers on Demand	Computer	12,967
Hartweg,Turner,Wood, Simki	Legal	2,218
TOTAL (agree to Schedule V, line 19, column 3)		$ 33,352
(If total legal fees exceed $2500 attach copy of invoices.)		

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 85,422
Unemployment Compensation Insurance	
FICA Taxes	216,486
Employee Health Insurance	207,810
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
403b Retirement Plan	31,647
Sick Pay	12,604
Life Insurance	7,087
Section 125 Admin Fee	1,759
Employee Appreciation	9,078
Non-Care Benefits	(12,057)
Employee Vaccines	44
TOTAL (agree to Schedule V, line 22, col.8)	$ 559,880

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

Description	Line #	Amount
TOTAL		$

* Attach copy of IMRF notifications

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$ 995
Advertising: Employee Recruitment	7,884
Health Care Worker Background Check	350
(Indicate # of checks performed 35)	
Life Services Network of IL	6,168
Mennonite Health Services	2,058
Naeir	1,051
Dues & Licenses	822
Subscriptions & Newspapers	669
NPDES	500
Less: Public Relations Expense	( )
Non-allowable advertising	( )
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 20,497

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$ (884)
In-State Travel	7,246
Seminar Expense	6,695
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 13,057

**See instructions.

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
1			$		$	$	$	$	$	$	$	$	$
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		$		$	$	$	$	$	$	$	$	$

Facility Name & ID Number Meadows Mennonite Home # 0011544 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XX. GENERAL INFORMATION:

(1) Are nursing employees (RN,LPN,NA) represented by a union? No

(2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. Life Services Network of IL 6,168

(3) Did the nursing home make political contributions or payments to a political action organization? No If YES, have these costs been properly adjusted out of the cost report?

(4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity?

(5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 6.2

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ 37,202 Line 10.2

(7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.

(8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease.

(9) Are you presently operating under a sublease agreement? YES x NO

(10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO x If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. $ 71,175
This amount is to be recorded on line 42 of Schedule V.

(12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? Yes If YES, attach an explanation of the allocation.
Hskpng & Lndry split on time incurred.

(13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes

(14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.

(15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. $ Has any meal income been offset against related costs? Yes Indicate the amount. $ 1,804

(16) Travel and Transportation
a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. $
c. What percent of all travel expense relates to transportation of nurses and patients? 100% of Program
d. Have vehicle usage logs been maintained? Yes
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? Yes
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. $

(17) Has an audit been performed by an independent certified public accounting firm? Yes
Firm Name: Heinold-Banwart, Ltd. The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? Yes If no, please explain.

(18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes

(19) If total legal fees are in excess of $2500, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fees.